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CLERK US DISTRICT COURT
DISTRICT OF ARIZONA

CR21-03136 TUC-JCH(EJM)

9
10 IN THE UNITED STATES DISTRICT COURT
11 FOR THE DISTRICT OF ARIZONA

12 United States of America,
13 Plaintiff,
14 vs.
15 Koreasa M. Williams,
16 Defendant.

INDICTMENT

Violations:
18 U.S.C. § 1343
(Wire Fraud)
Counts 1-6

VICTIM CASE

17 THE GRAND JURY CHARGES:

18 Introductory Allegations

19 At all times material to the Indictment:

20 1. The defendant, Koreasa M. Williams resides in Tucson, Arizona.

21 2. Defendant was listed with the Arizona Department of Insurance as the
22 registered agent and owner of GLAM Insurance Services LLC (GLAM), which is located
23 in Tucson, Arizona. GLAM does business as Williams and Associates. The defendant
24 held a valid Arizona Health and Life Insurance Agent's license. The defendant was in the
25 business of selling life, accident and health insurance policies and insurance annuity
26 policies from various insurance companies.

27 3. J.L.F. is retired and resides in Green Valley, Arizona. J.L.F. had substantial
28 funds invested in several life insurance policies and IRAs. On or about September 1, 2018,

1 the defendant met J.L.F. in her capacity as an insurance agent. Thereafter, the defendant
2 fraudulently ingratiated herself with J.L.F., developed a relationship with him, and caused
3 him to trust the defendant's financial advice and counsel.

4 4. As a result of that trust, in October 2018, the defendant convinced J.L.F. to
5 unnecessarily transfer several of his investments into several annuities placed by the
6 defendant which resulted in substantial commissions to her but to the financial detriment
7 of J.L.F.

8 5. In November 2018, the defendant convinced J.L.F. to cancel several life
9 insurance policies in his name to place the proceeds, which amounted to approximately
10 \$1,000,000, in another new annuity. Those policies were cancelled and J.L.F. received the
11 proceeds in December 2018.

12 **Scheme and Artifice to Defraud**

13 6. Beginning in or about November 2018 and ending in or about December
14 2019, the defendant defrauded J.L.F. of more than \$1,340,000 for her own use and benefit.
15 The defendant, Koreasa Williams, with the intent to defraud, knowingly and willfully
16 participated in, devised and intended to devise a scheme and artifice to defraud and a
17 scheme to obtain victim J.L.F.'s money by materially false and fraudulent pretenses,
18 representations, promises and the intentional concealment of material facts.

19 7. It was part of the scheme and artifice to defraud J.L.F. that the defendant
20 needed money to "pay-off" the victims of an earlier scheme to defraud, which involved
21 nine other annuity clients of her insurance business, to attempt to stop a criminal
22 investigation and an Arizona Department of Insurance investigation against her. In that
23 earlier fraud scheme, which took place between 2011 and 2018, the defendant submitted
24 fraudulently prepared annuity surrender forms to the clients' annuity companies, in her
25 clients' names without her clients' knowledge or consent, causing the partial or full
26 surrender of the annuities, and directing \$1,064,522 in proceeds to be deposited into the
27 USAA bank accounts owned by the defendant.

1 8. That earlier fraud scheme began to unravel in mid-November 2018, when
2 one of victims confronted the defendant about the fraudulent annuity surrenders.
3 Thereafter, the Arizona Department of Insurance and Federal Bureau Investigation began
4 investigating the defendant.

5 9. On November 30, 2018, the defendant retained Law Firm A located in
6 Tucson, Arizona. At some point in time, Law Firm A was advised that the defendant had
7 borrowed money from the victims in the earlier fraud scheme, had given the victims
8 promissory notes for those loans, and wanted to “pay off” the notes. The defendant
9 represented to Law Firm A that she had a “rich Uncle in Green Valley” who would loan
10 her the money to pay off the debts. It was decided, with the consent and approval of the
11 defendant, that “repayment” of those alleged loans would be handled by Law Firm A, and
12 that the money the defendant provided would be deposited into a bank account belonging
13 to Law Firm A, and then checks would be written to the victims from Law Firm A’s account
14 in amounts to be determined by the defendant.

15 10. The defendant sought to pay back the money she defrauded from the victims
16 to stop the investigations into her earlier fraud scheme. The defendant, however, did not
17 have the money available to do so, but she knew that J.L.F. did as a result of the aforesaid
18 cancellation of the life insurance policies in December 2018.

19 11. On or about January 10, 2019, the defendant convinced J.L.F. to write a
20 check for \$1,000,000 on his USAA Federal Savings Bank account, account number
21 XXXX1460, made payable to two names (hereinafter A-B), which unbeknownst to J.L.F.
22 were the two last names of partners with Law Firm A, and dated January 10, 2019. J.L.F.,
23 believing he was investing in an annuity with the defendant’s “annuity firm,” placed the
24 notation “investment” in the memo line of the check. The defendant falsely stated to J.L.F.
25 that “A-B” worked for GLAM, her annuity company, and that the \$1,000,000 was for the
26 purchase of an annuity for J.L.F. with GLAM. GLAM, however, was not an annuity
27 company. At no time did the defendant advise J.L.F. that “A-B” was a law firm or that “A-
28 B” represented her in criminal and administrative investigations.

1 12. The defendant provided Law Firm A with J.L.F.'s \$1,000,000, which Law
 2 Firm A, with the defendant's knowledge and consent, deposited into its IOLTA (Interest
 3 On Lawyers Trust Account) bank account with JPMorgan Chase in Tucson, Arizona, on
 4 January 10, 2019. It was the defendant's intent and purpose in providing that check to Law
 5 Firm A to use the funds from J.L.F.'s \$1,000,000 check to "pay back" the victims from her
 6 first fraud scheme, contrary to her representations to J.L.F. that the funds would be invested
 7 on his behalf and for his use.

8 13. Thereafter, the defendant instructed Law Firm A to write checks on the
 9 IOLTA bank account to victims in the defendant's earlier annuity withdrawal scheme.
 10 Between January 22, 2019 and February 20, 2019, the defendant caused Law Firm A to
 11 use \$863,935.87 of J.L.F.'s funds to issue nine (9) checks to M.K., S.K., G.B., M.N., M.L.,
 12 and R.C., all victims of the defendant's earlier annuity scheme. The defendant never
 13 purchased an annuity for J.L.F. with those funds.

14 14. It was further part of the scheme and artifice to defraud J.L.F. that the
 15 defendant needed additional money to settle a civil lawsuit filed against her, her husband,
 16 and GLAM in 2016, in Pima County Superior Court in Tucson, Arizona entitled *Jayne*
 17 *Shaffer v. Koreasa M. Williams, et al*, Case No C2016-3791, (the *Shaffer* lawsuit). That
 18 case was scheduled to begin trial March 26, 2019.

19 15. The defendant and her husband had engaged Law Firm A to assist in
 20 procuring another law firm (Law Firm B) to negotiate a \$150,000 settlement of the *Shaffer*
 21 lawsuit in lieu of trial. However, the defendant had an insufficient balance in Law Firm
 22 A's IOLTA account remaining from the \$1,000,000 of J.L.F.'s funds to cover the \$150,000
 23 settlement. By March 21, 2019, after paying back victims of the earlier fraud scheme and
 24 paying various attorney's fees, approximately \$84,712.63 of J.L.F.'s funds were left in the
 25 IOLTA account to cover the *Shaffer* settlement prior to the lawsuit's March 26, 2019 trial
 26 date.

27 16. In February or March 2019, the defendant and her husband visited J.L.F. at
 28 his residence in Green Valley and asked him for a \$400,000 personal loan because of a

1 “big mistake.” J.L.F. declined to make the defendants the loan. Thereafter, in March 2019,
 2 the defendant fraudulently convinced J.L.F. to make a \$100,000 “loan” to GLAM, her
 3 insurance company, falsely making him believe that he was investing in the company in
 4 which he believed he had purchased the \$1,000,000 annuity on January 10, 2019.

5 17. On or about March 21, 2019, J.L.F. gave the defendant a check for \$100,000,
 6 drawn on his USAA bank account, account number XXXX1460, dated March 21, 2019,
 7 made payable to “A B,” which unbeknownst to J.L.F. were the last names of partners with
 8 Law Firm A. The defendant instructed J.L.F. to write “loan” on the memo line and J.L.F.
 9 complied, believing he was “investing” in the company that held his \$1,000,000 annuity.
 10 At no time did the defendant advise J.L.F. that she would use his funds to settle a civil
 11 lawsuit or pay her attorney’s fees.

12 18. On or about March 22, 2019, the defendant gave J.L.F.’s \$100,000 check to
 13 Law Firm A, which Law Firm A, with the defendant’s knowledge and consent, deposited
 14 in Law Firm A’s IOLTA bank account with JPMorgan Chase Bank to the credit of the
 15 defendant. None of the \$100,000 that J.L.F. gave to defendant Koreasa M. Williams was
 16 used to invest in GLAM or any other annuity company.

17 19. On or about March 25, 2019, Law Firm A, at the direction of defendant,
 18 purchased a cashier’s check in the amount of \$150,000 using J.L.F.’s funds deposited into
 19 the IOLTA account, to settle the *Shaffer* lawsuit on behalf of the defendant, her husband,
 20 and her business.

21 20. It was further a part of the scheme and artifice to defraud J.L.F. that defendant
 22 needed additional money to continue to pay Law Firm A’s legal fees to represent her as
 23 well as to “pay-off” another two victims in the annuity withdrawal scheme.

24 21. Sometime in June 2019, the defendant approached J.L.F. and obtained a
 25 \$120,000 check from him. While J.L.F. does not recall exactly what the defendant
 26 represented to him the money would be used for, J.L.F. is certain that he did not give her
 27 the funds for her own personal use and benefit. As a result of defendant’s fraudulent
 28 representations, J.L.F. provided the defendant a check for \$120,000, drawn on his Bank of

1 America Account, account number XXXX9689, dated June 20, 2019, made payable to "A
2 B," which unbeknownst to J.L.F. were the last names of partners with Law Firm A. That
3 check was deposited into the IOLTA account of Law Firm A on or about June 25, 2019,
4 with the knowledge and consent of, and to the credit of the defendant.

5 22. On or about June 25, 2019, Law Firm A issued two checks each in the amount
6 of \$35,000 to two victims in the annuity withdrawal scheme, for a total of \$70,000, from
7 J.L.F.'s funds on deposit in the IOLTA account. On or about July 5, 2019, Law Firm A
8 transferred \$50,000 from J.L.F.'s funds on deposit in the IOLTA account to Law Firm A
9 as legal fees.

10 23. It was further a part of the scheme and artifice to defraud J.L.F. that the
11 defendant obtained \$124,252 from J.L.F. through her fraudulent use of *In Its Time*, an
12 Arizona Domestic Nonprofit Corporation.

13 24. On or about July 8, 2019, the defendant's husband incorporated *In Its Time*
14 under the laws of the State of Arizona. The corporate documents reflect that the character
15 of the business of *In Its Time* was a "ministry." At all times relevant hereto, the defendant's
16 husband was the sole director and statutory agent of *In Its Time*.

17 25. On or about August 23, 2019, the defendant's husband opened a business
18 checking account in the name of *In Its Time* with JPMorgan Chase Bank in Tucson,
19 Arizona, account number XXXX8698. At all times relevant hereto, defendant's husband
20 was the sole signatory on that bank account and the defendant accessed the account by
21 using the debit card issued in her husband's name.

22 26. Sometime between July 2019 and September 2019, the defendant suggested
23 to J.L.F. that he form a charitable foundation with a "religious" name to avoid scrutiny by
24 the I.R.S., which would be controlled by the defendant, to provide for the support and
25 maintenance of J.L.F.'s "special needs" daughter. J.L.F. would fund the charitable
26 foundation with money from his existing charitable foundation known as the F.F.F. It was
27 decided that the foundation would be known as The Sacred Juniper Society.

1 27. The defendant fraudulently persuaded J.L.F. to transfer some money from
 2 the F.F.F. to *In Its Time*, where the money could be “held” until The Sacred Juniper Society
 3 was created by the defendant. The defendant falsely and fraudulently assured J.L.F. that
 4 the money would be “held” in *In Its Time* for the benefit of J.L.F.’s daughter and that J.L.F.
 5 could direct the defendant to receive and use the money for the benefit of J.L.F.’s daughter
 6 until such time as The Sacred Juniper Society was formed. The defendant told J.L.F. that
 7 *In Its Time* was a foundation, similar to F.F.F.’s existing foundation, controlled by the
 8 defendant’s husband. The defendant did not tell J.L.F. that *In Its Time* was formed as a
 9 “ministry” or that the money that J.L.F. transferred into *In Its Time* would be used for the
 10 benefit of the defendant and her family.

11 28. The defendant caused the formation of The Sacred Juniper Society under the
 12 laws of the State of Arizona on or about November 12, 2019, approximately two months
 13 after she began receiving funds from J.L.F. to “hold” for the new foundation. The defendant
 14 never opened a bank account in the name of Sacred Juniper Society.

15 29. As a result of the defendant’s false and fraudulent representations, J.L.F.
 16 gave her four checks drawn on the F.F.F.’s bank account with Merrill Lynch Bank of
 17 America, account number XXXXX7434, made payable to *In Its Time* dated September 4,
 18 2019, in the amount of \$23,652; dated September 4, 2019, in the amount of \$600; dated
 19 October 2, 2019, in the amount of \$50,000; and dated November 19, 2019, in the amount
 20 of \$50,000; for a total of \$124,252. Those checks were deposited in the *In Its Time*’s bank
 21 account with JPMorgan Chase Bank, account number XXXXX8698.

22 30. \$5600 of the funds were used for the benefit of J.L.F.’s special needs
 23 daughter as intended. However, the remaining \$118,652 was never used for the benefit of
 24 J.L.F.’s daughter nor transferred to The Sacred Juniper Society as promised to J.L.F. by
 25 the defendant. Rather, between September 18, 2019, and January 28, 2020, the defendant
 26 and her husband fraudulently converted these funds to their own use and benefit including
 27 checks to other religious entities for the credit of the defendant and/or her husband, ATM
 28 cash withdrawals, over the counter cash withdrawals, supermarket expenses, convenience

1 store expenses, fast food restaurants, Infiniti car payment, cable fees, and movie theater
2 charges.

3 **Wire Fraud**

4 The factual allegations in Paragraphs One (1) through Thirty (30) above are
5 incorporated by reference as if more fully set forth in Counts 1- 6 charged herein.

6 **Count 1**

7 On or about January 10, 2019, within the District of Arizona, and elsewhere, the
8 defendant, KOREASA M. WILLIAMS, for the purpose of and as an essential part of
9 executing the scheme to defraud described above, transmitted and knowingly caused to be
10 transmitted by means of wire communication in interstate commerce writings, signals, and
11 sounds, that is, electronic transmissions caused by the deposit of a \$1,000,000 personal
12 check from J.L.F.'s USAA Federal Savings Bank, account number XXXX1460, into Law
13 Firm A's J.P. Morgan Chase IOLTA account XXXX5008, for the purpose of converting
14 the funds from this check to the defendant's own use and benefit without the knowledge or
15 consent of J.L.F.

16 All in violation of Title 18, United States Code, Section 1343.

17 **Count 2**

18 On or about March 22, 2019, within the District of Arizona, and elsewhere, the
19 defendant, KOREASA M. WILLIAMS, for the purpose of and as an essential part of
20 executing the scheme to defraud described above, transmitted and knowingly caused to be
21 transmitted by means of wire communication in interstate commerce writings, signals, and
22 sounds, that is, electronic transmissions caused by the deposit of a \$100,000 personal check
23 from J.L.F.'s USAA Federal Savings Bank, account number XXXX1460, into Law Firm
24 A's J.P. Morgan Chase IOLTA account XXXX5008, for the purpose of converting the
25 funds from this check to the defendant's own use and benefit without the knowledge or
26 consent of J.L.F.

27 All in violation of Title 18, United States Code, Section 1343.

Count 3

On or about June 25, 2019, within the District of Arizona, and elsewhere, the defendant, KOREASA M. WILLIAMS, for the purpose of and as an essential part of executing the scheme to defraud described above, transmitted and knowingly caused to be transmitted by means of wire communication in interstate commerce writings, signals, and sounds, that is, electronic transmissions caused by the deposit of a \$120,000 personal check from J.L.F.'s Bank of America, account number XXXX9689, into Law Firm A's J.P. Morgan Chase IOLTA account XXXX5008, for the purpose of converting the funds from this check to the defendant's own use and benefit without the knowledge or consent of J.L.F.

All in violation of Title 18, United States Code, Section 1343.

Count 4

On or about September 5, 2019, within the District of Arizona, and elsewhere, the defendant, KOREASA M. WILLIAMS, for the purpose of and as an essential part of executing the scheme to defraud described above, transmitted and knowingly caused to be transmitted by means of wire communication in interstate commerce writings, signals, and sounds, that is, electronic transmissions caused by the deposit of a \$23,652 check, drawn on F.F.F.'s Merrill Lynch Bank of America, account number XXXX7434, into In Its Time's J.P. Morgan Chase checking account XXXX8698, for the purpose of converting the funds from this check to the defendant's own use and benefit without the knowledge or consent of J.L.F.

All in violation of Title 18, United States Code, Section 1343.

Count 5

On or about October 3, 2019, within the District of Arizona, and elsewhere, the defendant, KOREASA M. WILLIAMS, for the purpose of and as an essential part of executing the scheme to defraud described above, transmitted and knowingly caused to be transmitted by means of wire communication in interstate commerce writings, signals, and sounds, that is, electronic transmissions caused by the deposit of a \$50,000 check, drawn

1 on F.F.F.'s Merrill Lynch Bank of America, account number XXXX7434, into In Its
2 Time's J.P. Morgan Chase checking account XXXX8698, for the purpose of converting
3 the funds from this check to the defendant's own use and benefit without the knowledge or
4 consent of J.L.F.

5 All in violation of Title 18, United States Code, Section 1343.

6 **Count 6**

7 On or about November 19, 2019, within the District of Arizona, and elsewhere, the
8 defendant, KOREASA M. WILLIAMS, for the purpose of and as an essential part of
9 executing the scheme to defraud described above, transmitted and knowingly caused to be
10 transmitted by means of wire communication in interstate commerce writings, signals, and
11 sounds, that is, electronic transmissions caused by the deposit of a \$50,000 check, drawn
12 on F.F.F.'s Merrill Lynch Bank of America, account number XXXX7434, into In Its
13 Time's J.P. Morgan Chase checking account XXXX8698, for the purpose of converting
14 the funds from this check to the defendant's own use and benefit without the knowledge or
15 consent of J.L.F.

16 All in violation of Title 18, United States Code, Section 1343.

17

18 A TRUE BILL

19

/s/

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 FOREPERSON OF THE GRAND JURY
Dated: December 8, 2021

22

23 GARY M. RESTAINO
United States Attorney
District of Arizona

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/s/

REDACTED FOR
PUBLIC DISCLOSURE

25

26 WALLACE H. KLEINDIENST
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